"8. Under these circumstances the Government of India trust that the Government of Bombay will see their way to try the experiment of abolishing the system of a minimum guarantee for opium vend on the earliest possible opportunity. The system has been of value during the past 13 years and has made control over the consumption of opium an easier task than it was in 1878-79. Much experience has been gained and smuggling has been successfully combated. The Governor General in Council hopes that the officers of the Opium Department will now be able to introduce a system which does not involve a minimum guarantee, and to work it successfully without serious risk of a revival of the difficulties met with in earlier years, and he desires that steps may be taken at once to consider the question in time to enable the proposed change to be carried out from the beginning of the next revenue year."

(G. R. No. 7645, dated 26th September 1892.)

VII.—ARRANGEMENTS WITH NATIVE STATES.

1. Presuming that all opium to which concessions of duty drawback are made will be for consumption only in the Native States in whose name the concessions are made, opium might most conveniently be sold free of duty, when purchased from a depôt where duty has not already been levied; and in this case no adjustment on account of remission of pass duty would be necessary in the financial accounts which are intended to show actual cash receipts and payments. If any account of opium remissions is required to be kept, it should be shown in the stock account of opium kept by the Commissioner of Customs by foot notes. But when purchased from a depôt where the duty on it has already been levied, the duty should only be refunded on the production of the Political Agent's certificate to the effect "that the opium so sold has been received into the State applying for it." This certificate should be forwarded to the Accountant General's office. (G. R. No. 6637, dated 24th December 1878.)

2. The proposal that full pass duty be levied at the scales on all opium exported to the States in the Bombay Presidency which are parties to the arrangements made in 1878, a refund being made of such portion of the duty as the States may be entitled to on proof of the arrival of the opium at its destination, and of the levy of the full pass duty by the States themselves does not commend itself to the Government of India. It would be distasteful to the Chiefs of these States, as it would subject them to the inconvenience and discredit of submitting bills for audit and adjustment; and this audit would be the occasion of considerable trouble to the Account officers, while delay would sometimes result in the payment of the duty to be refunded. And it seems important not to put any avoidable obstacle in the way of these States in obtaining opium licitly, lest any encouragement be thereby given to smuggling. The important point is to limit the supply of opium to these States. If this is done, it appears to be comparatively of little importance whether the opium is delivered free of duty, or the duty is levied at the

scales and afterwards refunded. The Governor General in Council therefore considers that the Government of Bombay should in communication with the Political Agents of the States concerned fix the amount of opium which may be imported free of duty or on payment of reduced duty into each State; and that that amount only should be permitted to pass the scales otherwise than on payment of the full duty. The necessary intimation would of course have to be made to the Opium Agents at Indore and Ajmere. (G. I., F. & C., No. 3295, dated 1st October 1881; *vide* G. R. No. 6212, dated 21st idem; *vide* also G. R. No. 7109, dated 23rd November 1881.)

3. The Chiefs of Káthiáwár should be encouraged to make their own arrangements for their supply of opium subject to the restrictions of the opium rules. (G. R. No. 6392, dated 18th November 1881.)

4. Seeing that Government have obtained from the Káthiáwár Chiefs an engagement neither to cultivate nor import opium, in return for which the Government undertake to supply them at a cheap rate with the quantity they are supposed to require for their own use, duty should not be demanded in cases where the Political Agent is satisfied and certifies that they are proceeding on a journey, or will be absent from Káthiáwár for a given period, and that the quantity of opium to be taken with them is reasonable. That should be stated in the pass and should be the authority for its being passed free of duty by the officers of Government. (G. R. No. 1981, dated 28th March 1876.)

5. The prohibition contained in the notice* issued under Government Resolution, Public Works Department, Railway, No. 1318, dated 29th May 1885, does not apply to the Káthiáwár Chiefs, who are allowed to take with them into British territory a reasonable quantity of opium covered by a pass as permitted by G. R. No. 1981, dated 28th March 1876, nor to persons travelling by rail in the native territories of Káthiáwár. Government also will not object to add to the exemption from the notice of persons of distinction holding a pass from the Political Agent, Káthiáwár, but this should be limited to brothers of Chiefs, Head Kárbháris and the like, and cannot be extended to all bháyát and girásiás or officials. The Political Agent must be held responsible that the concession is not abused. (G. Rs. Nos. 6015, dated 25th July 1885, 6895, dated 26th August 1885, 10220, dated 19th December 1885, and 3514, dated 14th May 1886.)

6. It was stipulated with the Káthiáwár Chiefs by the Political Agent in 1820 that of the sale-

* "Any passenger coming from abroad will be liable to be detained and prosecuted if found, on and after entering the limits of the Bombay Presidency, to be in possession of more than 2 tolas of opium. A licensed opium shop exists near the Ahmedabad / Bhusával Railway Station, at which passengers may buy opium up to 10† tolas each."

† 2 tolas, as reduced in 1892, *vide* G. N. No. 6437, dated 10th August, 1892. *B. G. G.*, 1892, Pt. I, p. 802.

proceeds of confiscated opium ⅓rd should be paid to the capturer and ⅔rds to the Chief of the place where the opium was seized. This is still done where the Chief or his servants have taken part in the capture. The same practice appears to have existed in Rádhanpur, and it is evidently good policy, and should be permitted in all the Native States. On this principle confiscated opium may be dealt with as follows :—

(*a*) The Chief should send the capture to the Political Agent or depôt with a list of rewards awarded. The opium should be taken into stock and dealt with under Rules 53 and 54 of the Rules under the Opium Act. A separate account should be kept of confiscated opium. When it is issued from the depôt, the sale-proceeds should be adjusted thus: the amount of the pass-fee (if any) should be credited to Government; the rewards should be paid to the captors, and the balance should be given to the Chief.

(*b*) If the confiscated opium is of inferior quality and is issued at a lower rate, the pass-fee (if any) may be reduced from the full pass-fee in the same proportion by which the price is reduced below the full price.

(*c*) If the opium is destroyed as unfit for use, the reward for seizing it need not be large, and should be paid from a fine to be taken from the smuggler.

(*d*) When the opium is of quality equal to that in the depôt, the rewards not exceeding ⅓rd of the value may be paid by Government at once. (G. R. No. 3620 dated 10th July 1879.)

7. Confiscated opium seized in any part of His Highness the Gáekwár's territories, if it cannot be dealt with on the spot, should be transported through British territory under the ordinary procedure prescribed by the rules under the Opium Act. (G. R. No. 3018, dated 7th June 1879).

VIII.—SMUGGLING.

1. The Commissioner of Customs, Opium and Abkári should from time to time report to Government how the opium revenue is progressing, and if from any information received by him he is led to believe that smuggling is increasing, or is materially interfering with the public revenue, he should at once bring the matter to the notice of Government and suggest such means as appear to him most calculated to put a stop to the contraband traffic in the drug. His Excellency the Governor in Council would in the meantime impress upon all officers in British districts where opium is largely consumed, and also on all political officers in frontier districts the necessity for the keenest attention to this subject. They should direct their most zealous and energetic efforts to the suppression of opium smuggling and the detection and punishment of the smugglers. On the interest taken by them in the matter and on the vigilant supervision exercised by them over